

# Contractors Pollution Liability Occurrence Policy



## LIBERTY SURPLUS INSURANCE CORPORATION

(A New Hampshire Stock Insurance Company, hereinafter the "Company")  
175 Berkeley Street, Boston, MA 02116  
Toll-free number: 1-800-677-9163

### CONTRACTORS POLLUTION LIABILITY

COVERAGE IS PROVIDED ON AN OCCURRENCE, DEFENSE WITHIN LIMITS BASIS  
PLEASE READ THE ENTIRE FORM CAREFULLY.

Policy No.: UBESF102600111

New/Renewal: RENEWAL

Renewal of: UBESF102600110

1st Year of Policy: 2009

This contract is registered and delivered as a surplus line coverage under the insurance code of the State of Washington, enacted in 1947. It is not issued by a company regulated by the Washington State Insurance Commissioner and is not protected by any Washington State Guaranty Fund Law.  
American E & S Ins. Brokers

Item 1. NAMED INSURED: Cleanscapes, Inc.  
ADDRESS: 5939 4th Avenue S.  
Seattle, WA 98108

Item 2. POLICY PERIOD: From: March 30, 2011 To: March 30, 2012

12:01 A.M. standard time at the address of the Named Insured as stated herein.

#### Item 3. LIMITS OF INSURANCE:

In return for the payment of policy premium, and subject to all the terms of this policy, we agree with you to provide the insurance stated in this policy

- A. Each Incident Limit: \$10,000,000  
B. Policy Aggregate Limit: \$10,000,000

Item 4. DEDUCTIBLE: \$10,000

#### Item 5. COVERED OPERATIONS:

All contracting operations performed by or on behalf of the insured at a jobsite pursuant to the underwriting information on file with us.

#### Item 6. POLICY PREMIUM:

Premium:	\$44,000
TRIA Premium:	Rejected
Total Premium	\$44,000

1 2  
D-UB (1/07) R5

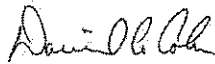
Broker Fee 1,000.00  
State Tax 900.00  
Stamping Fee 112.50  
Filing Fee \_\_\_\_\_  
Inspection Fee \_\_\_\_\_

## Contractors Pollution Liability Occurrence Policy

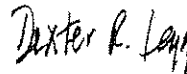


This policy may be subject to surplus lines taxes stamping fees surcharges and certain surplus lines reporting requirements mandated by state regulations. The Surplus Lines Broker is responsible for the disclosure of all related taxes surcharges and fees. The Surplus Lines Broker is also responsible for the applicable surplus lines reporting requirements including but not limited to the submission of diligent search forms.

This policy, including all endorsements issued herewith, is hereby countersigned by



PRESIDENT  
David A. Cohen



VICE PRESIDENT and SECRETARY  
Dexter R. Legg

Broker: R-T Specialty Insurance Services, LLC  
Broker Address: 1200 Fifth Avenue, Suite 1910  
Seattle, WA 98101

# Contractors Pollution Liability Occurrence Policy



## LIBERTY SURPLUS INSURANCE CORPORATION

(A New Hampshire Stock Insurance Company, hereinafter the "Company")

### SCHEDULE OF FORMS

Effective Date:	March 30, 2011	Expiration Date:	March 30, 2012
Policy Number:	UBESF102600111		
Issued To:	Cleanscapes, Inc.		

<u>Form Number</u>	<u>Form Name</u>	<u>Endorsement No.</u>
D-UB (1/07) R5	Contractors Pollution Declarations	
ES-UB (1/07) R4	Contractors Pollution Liability Occurrence Policy	
SC-9 (10/08)	Service of Suit Clause – Washington	1
TRIA-ENV-E002-0208	Exclusion of Certified Acts of Terrorism	2
TRIA-ENV-E003-0208	Exclusion of Terrorism	3
OFAC 08/09	U.S. Economic Trade Sanctions Endorsement	4
E-UB-1 (6/02)	Biological Contaminants Exclusion	5
E-UB-10 (6/02)	Bodily Injury – Amendment of Definition	6
E-UB-6 (6/02)	Cancellation – Variable Minimum Earned Premium	7
E-UB-15 (7/02)	Non-Owned Disposal Site Coverage Endorsement	8
E-UB-11 (8/02)	Transportation Endorsement	9
E-UB-MAN	Site Pollution Liability Coverage endorsement	10

# Contractors Pollution Liability Occurrence Policy



## LIBERTY SURPLUS INSURANCE CORPORATION

(A New Hampshire Stock Insurance Company, hereinafter the "Company")

### CONTRACTORS POLLUTION LIABILITY OCCURRENCE POLICY

This policy provides defense within limits coverage. Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as an Insured under this policy. The words, "we", "us" and "our" refer to Liberty Surplus Insurance Corporation but not to other members of the Liberty Mutual Group.

Other words and phrases that appear in quotation marks have special meaning. Refer to **DEFINITIONS** (Section VI)

#### SECTION I - COVERAGES

##### 1. Insuring Agreement

We will pay on your behalf those sums the "insured" becomes legally obligated to pay for "loss" arising from "pollution conditions" caused by "covered operations" performed by the "insured" or any entity for which the "insured" is legally liable.

This insurance applies only to "bodily injury", "environmental damage" or "property damage" that occurs during the policy period.

Progressive, continuous, intermittent or indivisible "bodily injury", "environmental damage" or "property damage" that occurs over a period of days, weeks, months or longer caused by "pollution conditions" shall be deemed to have occurred only on the date of first exposure to such "pollution conditions". The date of first exposure is:

- a. in the case of "bodily injury", the date of the first exposure of any person to the "pollutants"; and
- b. in the case of "environmental damage" or "property damage", the date of the first discharge, dispersal, seepage, migration, release or escape of the "pollutants".

If the date of first exposure as described above is before the inception date of the first policy issued to you by us providing coverage for "bodily injury", "environmental damage" or "property damage" caused by "pollution conditions" resulting from "covered operations", or can not be immediately determined, but the progressive, continuous, intermittent or indivisible "bodily injury", "environmental damage" or "property damage" continues in fact to exist during this policy period, the date of first exposure will be deemed to have occurred only on the inception date of the first policy issued to you by us that is applicable to the "covered operations" from which the "bodily injury", "environmental damage" or "property damage" caused by "pollution conditions" arose. Further, no other policy issued to you by us will be applicable to the "covered operations" from which the "bodily injury", "environmental damage" or "property damage" caused by "pollution conditions" arose.

##### 2. Investigation, Defense and Settlement

###### Investigation and Defense

# Contractors Pollution Liability Occurrence Policy



We will have the right and the duty to defend the "insured" against any "claim" brought within the US, its territories or possessions, Puerto Rico or Canada seeking those sums to which this insurance applies; and the right but not the duty to defend the "insured" against any "claim" made in a "non-admitted jurisdiction". We may at our discretion investigate any incident, circumstance or event regardless of whether any "claim" has been made. With respect to any "claim" we defend, we will pay "defense expense" for the investigation, contest, defense or appeal of a specific "claim". We have the absolute right to select and appoint counsel to represent any "insured". All our duties under this policy, including our duty to defend, end when the applicable Limits of Insurance are exhausted. This applies to "claims" pending at the time and those filed thereafter. "Defense expenses" are included in "loss", reduce the applicable limits of liability and are included within the Deductible stated in the Declarations.

## Consent to Settlement

We shall not settle any "claim", without the consent of the "insured" to which the offer is made. If, however, that "insured" refuses to consent to any settlement recommended by us and elects to contest the "claim" or continue any legal proceedings in connection with such "claim", our liability for "loss" shall not exceed the amount for which the "claim" could have been settled plus "defense expense" incurred up to the date of such refusal, less the deductible or the outstanding Deductible balance.

## Independent Counsel

If, by mutual agreement or by law, the "insured" is entitled to select defense counsel to defend any "claim" at our expense, the attorney fees and all other litigation expenses we must pay to that counsel are limited to the rates we would actually pay to counsel that we retain in the ordinary course of business in the defense of similar "claims" in the community where the "claim" arose or is being defended. We will have the right to require that such counsel have certain minimum qualifications with respect to competency, including experience in defending claims similar to the one pending against the "insured", and to require such counsel to have errors and omissions insurance coverage. The "insured" agrees that such independent counsel will timely respond to our requests for information regarding any "claim".

## SECTION II – EXCLUSIONS

This insurance does not apply to:

### 1. Contractual Liability

"Loss" arising from the "insured's" assumption of liability in a contract or agreement. This exclusion does not apply to liability for "loss":

- a. assumed in a contract or agreement that is an "insured contract", provided the "bodily injury", "environmental damage" or "property damage" occurs subsequent to the execution and before the termination of the contract or agreement; or
- b. that the "insured" would have in the absence of the contract or agreement.

### 2. Criminal Fines and Penalties

"Loss" arising from criminal fines, criminal penalties or criminal assessments.

### 3. Damage to Your Product and Your Work

"Loss" arising from damage to "your product" or to "your work" or any part of "your product" or "your work".

This exclusion does not apply if the damaged work or the work out of which the damage arises was performed by any entity for which you are legally liable.

# Contractors Pollution Liability Occurrence Policy



## 4. Employers Liability

"Loss" arising from "bodily injury" to:

- a. An employee of an "insured" arising out of and in the course of employment by the "insured" or performing duties related to the conduct of the "insured's" business; or
- b. Any person whose right to assert a "claim" against the "insured" arises by reason of any employment, blood, marital or other relationship with the employee.

This exclusion applies whether the "insured" may be liable as an employer or in any other capacity; and to any obligation to share damages with or repay someone else who must pay damages because of the injury.

This exclusion does not apply to liability assumed by the "insured" under an "insured contract".

## 5. Insured vs. Insured

"Loss" arising from any "claim" made by or on behalf of an "insured", including any trustee in bankruptcy, receiver or any other successor-in-interest to the "insured", against any other "insured".

This exclusion shall not apply with respect to:

- a. "claims" against you made by any "insured" who is a client for whom the "insured" or any entity for which you are legally liable is performing or has performed "covered operations"; or
- b. "claims" that arise out of an indemnification given by one "insured" to another "insured" in an "insured contract".

## 6. Intentional and Illegal Acts

"Loss" arising from any dishonest, criminal, fraudulent, malicious, intentional or illegal act or omission of any "responsible insured".

## 7. Known Circumstances and Non Disclosure

"Loss" arising from any "pollution conditions" caused by "covered operations" which occurred prior to the inception date of this policy, if any. "responsible insured" knew or could have reasonably foreseen that such "pollution conditions" would give rise to a "claim" and did not disclose such to us.

## 8. Noncompliance

"Loss" arising from any "responsible insured's" intentional, willful or deliberate non-compliance with any statute, regulation, ordinance, administrative complaint, notice of violation, notice letter, executive order, or instruction of any governmental agency or body.

## 9. Owned Property

"Loss" arising from "property damage" or "clean-up costs" to real or personal property owned, leased, loaned or rented by or to the "insured". However this exclusion does not apply to:

- a. "property damage" or "clean-up costs" to real or personal property of others in your care, custody or control for the purpose of having "covered operations" performed on such property; or
- b. any person or organization qualifying as a client of the named insured under the definition of "insured".

## 10. Products Liability

"Loss" arising from "your product".

## Contractors Pollution Liability Occurrence Policy



### 11. Professional Services

"Loss" arising from the performance of or failure to perform professional services or providing or failing to provide professional advice, whether or not that service or advice is ordinary to the "insured's" business, regardless of whether a "claim" is made by a client or any other person or organization.

This exclusion does not apply to improper or inadequate supervision of any entity for which you are legally liable when performing "covered operations" at a job site.

### 12. Radioactive Matter

"Loss" arising from the actual, alleged or threatened exposure of person(s) or property to any radioactive matter, whether naturally occurring or otherwise.

### 13. Related or Affiliated Entities

"Loss" arising from any "insured's" involvement in "covered operations" performed by or on behalf of any business enterprise not named in the Declarations that wholly or partly owns the "insured" or which to any extent controls, operates, or manages the "insured", or that is wholly or partly owned by an "insured", or in which an "insured" is an officer, partner or employee, or which is to any extent controlled, operated, or managed by the "insured".

### 14. Vehicles

"Loss" arising from the ownership, maintenance, use, operation, or entrustment to others of any "auto" aircraft, mobile equipment, watercraft, rolling stock or any other transportation mode. Use includes loading and unloading.

This exclusion does not apply to "loss" arising from the ownership, maintenance, use, operation, or entrustment to others of any "auto", aircraft, mobile equipment, watercraft, rolling stock or any other transportation mode used in the performance of "covered operations" within the boundaries of a job site.

### 15. Transported Materials

"Loss" arising from any waste or any products or materials transported, shipped, or delivered via "auto", aircraft, mobile equipment, watercraft, rolling stock or any other transportation mode, to a location beyond the boundaries of a site at which the "insured" or any entity for which you are legally liable is performing or has performed "covered operations".

### 16. Workers Compensation

"Loss" arising from any obligation of the "insured" under workers' compensation, unemployment compensation or disability benefits law or similar law.

## SECTION III - COVERAGE TERRITORY

This policy applies to "claims" made anywhere in the world except; Afghanistan, Angola, Cuba, Haiti, Iran, Iraq, Libya, North Korea or the Federal Republic of Yugoslavia (Serbia and Montenegro).

## SECTION IV - LIMITS OF LIABILITY AND DEDUCTIBLE

The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of "insureds", "pollution conditions", "claims" made; or persons or organizations making "claims".

# Contractors Pollution Liability Occurrence Policy



The Limits of Insurance apply to the entire policy period and not separately to any portion (whether annual or otherwise) thereof. If the policy period is extended after policy issuance, the additional period will be deemed part of the last preceding period for the purposes of determining the Limits of Insurance.

## 1. Policy Aggregate Limit

The policy Aggregate Limit stated in the Declarations is the most we will pay for the sum of all "loss" covered under this policy.

## 2. Each Incident Limit

Subject to the Aggregate Limit, the Each Incident Limit stated in the Declarations is the most we will pay for the sum of all "loss" arising from any one "pollution condition" or the same, related or continuous "pollution conditions".

## 3. Multiple Policy Periods, Multiple Claims

If the same, related or continuous "pollution conditions" result in "bodily injury", "environmental damage" or "property damage" which occurs during the policy periods of different Contractors Pollution Liability policies we or an affiliate have issued to you:

- a. all such "bodily injury", "environmental damage" or "property damage" shall be deemed to have occurred only during the first policy period of such Contractors Pollution Liability policies in which any of the "bodily injury", "environmental damage" or "property damage" occurred; and
- b. all "loss" arising from all such "bodily injury", "environmental damage" or "property damage", shall be subject to the Each Incident Limit applicable under the policy described in paragraph 3.a. above.

## 4. Deductible

Our obligation to make payments under this insurance for "loss" is excess of the deductible amount stated in the Declarations of this policy.

We may advance payment of part or all of the deductible and, upon notification of such payment made, the "named insured" shall promptly reimburse us within thirty (30) days. The "named insured" stated in the Declarations is responsible for the payment of all deductible amounts on behalf of all persons or organizations insured. Payment of "loss" within the deductible will not create any obligations or be construed as a waiver or estoppel of our rights under the policy.

The deductible amount applies to all "loss" arising from the same, related, or continuous "pollution conditions".

## 5. Mediation

If the "named insured" and the company jointly agree to utilize "mediation" as a means to resolve a "claim" made against the "insured", and if such "claim" is resolved as a direct result of and during such "mediation", the deductible obligation stated in the Declarations shall be reduced by 50% subject to a maximum reduction of \$20,000. The company shall reimburse the "named insured" for any such reimbursable deductible payments made prior to the "mediation" as soon as practical after the conclusion of such "mediation".

## SECTION V - CONDITIONS



# Contractors Pollution Liability Occurrence Policy



## 1. Arbitration

Any dispute, controversy or "claim" arising out of or relating to this policy shall be finally and fully resolved through arbitration in accordance with the commercial arbitration rules of the American Arbitration Association. The arbitrator(s) and the number of arbitrators shall be chosen in the manner and within the time frames provided by such rules.

The arbitration proceeding shall take place in the "named insured's" state of domicile or in the domicile of the "insured", person or entity seeking relief from us or from whom we are seeking relief. The arbitrator(s) shall give due consideration to the general principles of the law of the "named insured's" state of domicile in the construction and interpretation of the provisions of the policy; provided, however, that the terms, conditions, provisions and exclusions of this policy are to be construed in an evenhanded fashion as between the parties. Where the language of this policy is alleged to be ambiguous or otherwise unclear, the issue shall be resolved in the manner most consistent with the relevant terms, conditions, provisions or exclusions of the policy (without regard to the authorship of the language, the doctrine of reasonable expectation of the parties and without any presumption or arbitrary interpretation or construction in favor of either party or parties, and in accordance with the intent of the parties).

The written decision of the arbitrator(s) shall set forth its reasoning, and it shall be provided simultaneously to both parties and shall be binding on them. The arbitrators' award shall not include attorney fees or other costs. Judgment on the award may be entered in any court of competent jurisdiction. Each party shall bear equally the expenses of arbitration.

## 2. Audit of Books and Records

We may audit your books and records as they relate to this insurance at any time during the term of this policy and up to three (3) years afterwards.

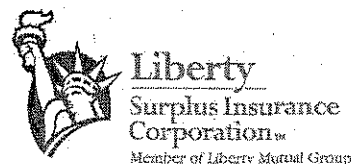
## 3. Bankruptcy

Bankruptcy or insolvency of the "insured" or of the "insured's" estate will not relieve us of our obligations under this policy.

## 4. Cancellation

- a. The "named insured" shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
- b. We may cancel this policy only for the reasons stated below by mailing or delivering to the "named insured" written notice of cancellation at least 10 days before the effective date of cancellation if we cancel for nonpayment of premium or 60 days before the effective date of cancellation if we cancel for any other reason.
  1. Material misrepresentation by the "insured".
  2. The "insured's" failure to comply with the material terms, conditions or contractual obligations under this policy.
  3. Non-payment of premium by the "named insured".
  4. A material change in "covered operations" during the policy period that materially increases the risk insured under this policy.
- c. We will mail or deliver our notice to the "named insured's" last mailing address known to us.
- d. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.

## Contractors Pollution Liability Occurrence Policy



- e. If this policy is canceled, we will send the "named insured" any premium refund due. If we cancel, the refund will be pro rata. If the "named insured" cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
- f. If notice is mailed, proof of mailing will be sufficient proof of notice.

### 5. Changes

This policy contains all the agreements between you and us concerning the insurance afforded. The "named insured" shown in the Declarations is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

### 6. Currency Provision

The Limits of Insurance and premiums shown in this policy are either United States of America or Canadian currency, contingent upon country of issuance, unless otherwise stated in the Declarations.

Any payments we make will be in the currency shown in the Declarations for the applicable Limits of Insurance.

At our sole option and upon your request, we will make payment in the currency requested. In doing so we will convert the value of applicable payment to the currency requested at the free rate of exchange as published in the Wall Street Journal in effect on the date the "claim" is made.

Upon converting the currency, we will apply all other terms and conditions of this policy to determine the amount of our final loss obligation, but in no event will we pay more than the Limits of Insurance shown in the Declarations.

### 7. Duties in the Event of any Incident, Circumstance, Event or Claim.

- a. You must see to it that we are notified in writing as soon as practicable of any "pollution conditions" which may reasonably result in a "claim".

To the extent possible, notice should contain particulars sufficient to identify the "insured" and claimant and provide full information with respect to the time, place and circumstances regarding the "pollution conditions" complained of, and the names and addresses of the injured and all available witnesses.

Notice of such "pollution conditions" is not notice of a "claim".

- b. If a "claim" is received by any "insured", you must:
  - 1. Immediately record the specifics of the "claim" and the date received; and
  - 2. You must see to it that we receive written notice of the "claim" as soon as practicable, but in no event later than the end of this policy period.
- c. You and any other involved "insured" must:
  - 1. Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "claim";
  - 2. Authorize us to obtain records and other information;
  - 3. Cooperate with us in the investigation, settlement or defense of the "claim"; and
  - 4. Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the "insured" because of injury or damage to which this insurance may also apply.
- d. Notice of incidents, circumstances, events or "claims" must be sent to:

## Contractors Pollution Liability Occurrence Policy



Manager, Environmental Claims  
Liberty International Underwriters  
55 Water Street, 18th Floor  
New York, NY 10041

- e. The "insured" shall have the duty to incur "mitigation expense" and to clean-up "pollution conditions" to the extent required by "environmental laws", by retaining competent professional(s) or contractor(s) mutually acceptable to us and the "named insured". We shall have the right but not the duty to review and approve all such actions. The "named insured" shall notify us of actions and measures taken pursuant to this paragraph.

### 8. Duties of Named Insured

The "named insured" shown in the Declarations shall act for all "insureds" for the following purposes:

- a. To pay all premiums and deductibles when due and be the payee for any return premiums we pay;
- b. To give written notice of any incident, circumstance or event which may reasonably result in a "claim" and/or any "claim" in accordance with the policy;
- c. To give and receive notice of cancellation and non-renewal;
- d. To request changes made to the policy and to receive and accept any endorsements to this policy; and
- e. To report changes in scope or nature of "covered operations" to us.

### 9. False or Fraudulent Claims

If the "insured" reports a "claim" knowing such "claim" to be false or fraudulent, this policy shall become void and all insurance coverage hereunder shall be forfeited.

### 10. Inspections and Surveys

We have the right but are not obligated to make inspections, surveys, give you reports on the conditions we find and recommend changes at any time. Any inspections, surveys, reports or recommendations relate only to insurability of the risk and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions are safe or healthful; or comply with laws, regulations, codes or standards. This condition applies not only to us, but also to our representatives who conduct such inspections, surveys and reports for us.

### 11. Joint Duties in a Non-admitted Jurisdiction

For "loss" arising in a "non-admitted jurisdiction", you must report such "claim" for "loss" to an office of ours located within the United States or with our prior written consent to our local branch or affiliate office. We have the right but not the duty to investigate, defend or settle such "claim(s)" for "loss".

If we do not exercise the right to investigate, defend or settle such "claim(s)" for "loss", you may under our supervision:

- a. make such investigation and defense as is reasonably necessary; and
- b. effect settlement of such "claim(s)" for "loss".

We shall reimburse you for the reasonable cost of such actions, subject to all other terms and conditions of the policy.

## Contractors Pollution Liability Occurrence Policy



This insurance shall not serve as proof of insurance in any country where non-admitted insurance is prohibited by local applicable law or without our prior written consent.

We may issue, at our sole discretion, proof of insurance documents to a third party upon your request, but we are not obligated to do so.

### 12. Legal Action Against Us

No person or organization has a right under this policy:

- a. To join us as a party or otherwise bring us into a "claim" asking for damages from an "insured"; or
- b. To bring an action under this policy unless all of its terms have been fully complied with.

A person or organization may bring an action to recover on an agreed settlement or on a final judgment against an "insured" obtained after an actual trial in a civil, arbitration or alternative resolution proceeding; but we will not be liable for damages that are not payable under the terms of this policy or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the "insured" and the claimant or the claimant's legal representative.

### 13. Other Insurance

Where other insurance may be available for "loss" covered under this policy, you shall promptly provide us with copies of such policies.

If other valid and collectible insurance is available to the "insured" for "loss" we cover under this policy, our obligations are limited as follows:

#### Primary Insurance

This insurance is primary and our obligations are not affected unless any of the other insurance is also primary. In that case, we will share with all such other insurance by the method described in Method of Sharing described below.

#### Method of Sharing

If all of the other insurance permits contribution of equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the "loss" remains, whichever comes first.

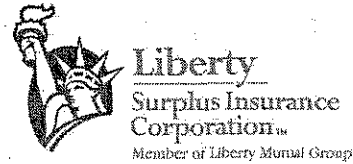
If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limits of insurance to the total applicable limits of insurance of all insurers.

#### Excess Insurance

This insurance is excess where:

- a. you are an "insured" on an insurance policy that applies to "covered operations" performed at a specific job site and the insurance policy applies to a specific job site; or
- b. valid and collectible insurance provided to you by any person or organization working under contract for you; or under which you are included as an insured.

## Contractors Pollution Liability Occurrence Policy



When this insurance is excess over other insurance, we will pay only our share of the amount of the "loss", if any, that exceeds the sum of the total amount that all other such insurance would pay for the "loss" in the absence of this insurance; and of all deductible and self-insured amounts under all that other insurance. We will share the remaining "loss", if any, with any other insurance that is not described in this Excess Insurance provision and was not purchased specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Insurance.

### 14. Representations

By accepting this policy, you agree the statements in the Declarations, the Application and any material submitted in connection with such Application, which are on file with us, are your agreements and representations, that this Policy is issued in reliance upon the truth of such representations and that this Policy embodies all agreements existing between you and us or any of our agents relating to this insurance.

### 15. Rights of the Company in the Event of Pollution Conditions

We shall have the right but not the duty to clean-up or mitigate "pollution conditions" upon receiving written notice as provided in **SECTION V**, paragraph 7. of this policy.

Any sums expended by us under the preceding paragraph will be deemed incurred or expended by the "insured", shall be subject to the applicable deductible and shall reduce the Limits of Insurance.

### 16. Separation of Insureds

Except with respect to the Limits of Insurance and **SECTION II. EXCLUSIONS**, paragraph 5., and any rights or duties specifically assigned to the "named insured", this insurance applies: (1) as if each "insured" were the only "insured"; and (2) separately to each "insured" against whom a "claim" is made.

Misrepresentation, concealment, breach of a term or condition, or violation of any duty under this policy by one "insured" shall not prejudice another "insured" under this policy. Notwithstanding the foregoing, this condition shall not apply to any "insured" that is a parent, subsidiary or affiliate of the "named insured".

### 17. Transfer of Duties When a Limit of Insurance is Used Up

a. When a Limit of Insurance has actually been used up in payment of "loss":

1. We will notify the "named insured" and any "insured" against whom a "claim" is pending, in writing, as soon as practicable, that:
  - (i) Such limit has actually been used up; and
  - (ii) Our duty to defend "claims" subject to that limit has also ended.
2. The "named insured" and any "insured" against whom a "claim" is pending will, as soon as practical, arrange for the transfer of control of the defense of all such "claims" against any "insured".
3. We will assist in, and all "insureds" must cooperate in, the transfer of control of the defense of all "claims" which are subject to that limit and which are reported to us before that limit is used up.
4. We will take steps we deem appropriate to avoid a default in, or continue the defense of such "claims" until the transfer is completed, provided the appropriate "insured" is cooperating in completing such transfer. The "named insured" and any "insured" against whom a "claim" is pending will reimburse us for any expenses we incur (for which expenses each "named insured" and each "insured" against whom a "claim" is pending are jointly and severally liable) in taking such steps on and after the date on which the applicable Limit of Insurance is used up.

## Contractors Pollution Liability Occurrence Policy

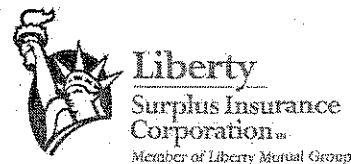


5. We will take no action whatsoever with respect to any "claim" reported to us after the applicable Limit of Insurance has been used up.
  - b. The duty to reimburse us will begin on the date the applicable Limit of Insurance is used up. The exhaustion of any limit of insurance by the payment of "loss" and the resulting end of our duty to defend, will not be affected by our failure to comply with any of the provisions of this Condition.
- 18. Transfer of Rights of Recovery Against Others to Us**
- In the event of any payment under this policy, we shall be subrogated to all of your rights of recovery therefor against any person or organization and you shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights including without limitation, assignment of your rights against any person or organization on account of which we made any payment under this Policy. You shall do nothing to prejudice our rights under this paragraph. Any recovery as a result of subrogation proceedings arising out of the payment of "loss" covered under this Policy shall accrue first to you to the extent of any payments in excess of the Limits of Insurance; then to us to the extent of our payment under the Policy; and then to you to the extent of your Deductible. Expenses incurred in such subrogation proceedings shall be apportioned among the interested parties in the recovery in the proportion that each interested party's share in the recovery bears to the total recovery.
- 19. Transfer of Your Rights and Duties Under This Policy**
- Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual "named insured".
- If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.
- 20. Voluntary Payments**
- No "insured" will, except at their own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

### SECTION VI - DEFINITIONS

1. "Auto" means a land motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment.
2. "Bodily injury" means physical injury, or sickness, disease, or mental anguish or emotional distress when accompanied by physical injury, sustained by any person, including death resulting therefrom.
3. "Claim" means a written demand received by the "insured" seeking a remedy or asserting liability or responsibility on the part of the "insured" for "loss". Claim also includes:
  - a. Civil proceedings in which liability for "loss" to which this insurance applies is alleged; or
  - b. An arbitration proceeding in which such liability for "loss" is claimed and which you must submit or do submit with our consent; or
  - c. Any other alternative dispute resolution proceeding in which such liability for "loss" is claimed and to which you submit with our consent.

## Contractors Pollution Liability Occurrence Policy



4. "Clean-up costs" means costs, charges and expenses, including reasonable and necessary legal expense incurred with our written consent, to investigate, neutralize, remove, remediate, monitor and dispose of "pollutants" to the extent required by "environmental laws" or that have actually been incurred by any governmental entity duly acting under the authority of "environmental laws", or that have been actually incurred by third parties.
5. "Covered operations" means those operations stated in the Declarations.
6. "Defense expense" means fees charged by any lawyer designated by us; and all other fees, costs and expenses resulting from the investigation, adjustment, defense and appeal of a "claim", if authorized by us, but without any obligation on our part to appeal a "claim".
7. "Environmental damage" means the injurious presence of "pollutants" resulting in "clean-up costs".
8. "Environmental laws" means any legislatively or administratively enacted law, rule, regulation or order applicable within the jurisdiction in which "professional services" or "covered operations" are being or have been performed.
9. "Insured" means:
  - a. the "named insured";
  - b. any person(s) or organization(s) named as an insured in the Declarations or any endorsement attached to this policy;
  - c. any past or present director, officer, partner, or employee of each insured as identified in a., and b. above, including a temporary or leased employee, while acting within the scope of his or her duties as such;
  - d. any organization you newly acquire or form during the policy period and over which you maintain ownership or majority interest, but only with respect to "covered operations" rendered on or after the acquisition or formation date of such organization.

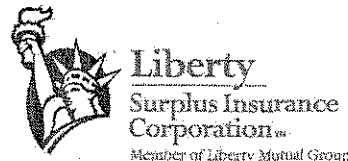
In the event such newly acquired or formed organization increases the "named insured's" gross revenue by more than 20% or a material change in the overall nature of "covered operations" performed by the "insured" or any entity for which the "insured" is legally liable occurs, you must notify us in writing of such newly acquired or formed organization and we must consent to such newly acquired or formed organization being added as "insured" before such coverage applies to that organization. We reserve the right to request additional premium for such consent which shall not be unreasonably withheld.

No person or organization is an "insured" with respect to "loss" arising from "pollution conditions" caused by "covered operations" that occurred before you acquired or formed such organization;

- e. Any client for whom you perform or performed "covered operations", provided you are contractually obligated to add such person or organization as an insured to the policy. However such client's are covered under this policy solely with respect to "loss" arising from "pollution conditions caused by "covered operations" performed by you and are not covered for any "loss" arising from the clients' own liability. Your clients are covered under this policy only for the Limits of Liability up to and not exceeding the amount required by the written contract with you and further subject to the Limits of Liability of this policy;
- f. Any lessor of equipment leased to you is an insured, but only with respect to "bodily injury", "environmental damage" or "property damage" arising out of the maintenance, operation or use by you of the equipment and only if you are contractually obligated to provide such coverage as is afforded by this policy.

No lessor is an insured with respect to any "bodily injury", environmental damage" or "property damage" which takes place after the equipment lease expires or the end of the policy period, whichever occurs first; or any "bodily injury", environmental damage" or "property damage" arising out of the sole negligence of the lessor; and

## Contractors Pollution Liability Occurrence Policy



- g. Any organization in which you maintain a joint venture interest provided you are named as a co-venturer in such joint venture, but only as respects to your liability arising out of "covered operations" rendered for such joint venture.
10. "Insured contract" means:
- a. an obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
  - b. that part of any other written contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury", "property damage" or "clean-up costs" to a third party or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.
11. "Loss" means:
- a. Monetary awards or settlements of compensatory damages arising out of "bodily injury" or "property damage";
  - b. "clean-up costs";
  - c. civil fines, civil penalties, and civil assessments;
  - d. where allowable by law, punitive, exemplary, or multiple damages; or
  - e. "defense expense".
12. "Mediation" means the non-binding intervention of a neutral third-party to effect settlement of a "claim".
13. "Mitigation expense" means reasonable and necessary costs incurred to mitigate "pollution conditions" constituting an emergency situation whereby in the absence of such mitigation, "bodily injury" or "property damage" to third parties is imminent, or pursuant to "environmental laws", "clean-up costs" are incurred.
14. "Named insured" means the person or entity named in the Declarations of this policy.
15. "Natural resources" means land, fish, wildlife, biota, air, surface water, ground water, drinking water supplies and other such resources belonging to, managed by, held in trust by, appertaining to, or otherwise controlled by the United States, any state or local government, any foreign government, any Indian tribe, or if such resources are subject to a trust restriction on alienation, any member of an Indian tribe.
16. "Non-admitted jurisdiction" means a jurisdiction where we are not licensed or permitted by law to issue insurance or are prevented by law or otherwise from investigating, defending or settling any "claim".
17. "Pollutants" means any solid, liquid, gaseous, thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
18. "Pollution Conditions" means the emission, discharge, dispersal, release or escape of "pollutants", provided such are not naturally occurring. The entirety of any such emission, discharge, release or escape or any series of continuous, repeated, or related emissions, discharges, releases or escapes shall be deemed to be one "pollution condition".
19. "Property damage" means:
- a. Physical injury to or destruction of "natural resources" or other tangible property, including all resulting loss of use and diminution in value of that property; or



## Contractors Pollution Liability Occurrence Policy



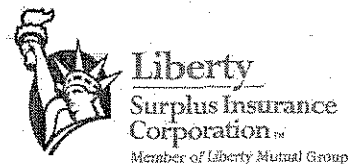
- b. Loss of use, but not diminution in value, of "natural resources" or other tangible property that is not physically injured.
- Property damage does not include "environmental damage".
20. "Responsible insured" means:
- an officer, director or partner of any "insured"; or
  - the manager or supervisor of any "insured" responsible for environmental affairs, control or compliance.
21. "Your product" means any goods or products (other than real property) manufactured, sold, handled, distributed or disposed of by you, others trading under your name, or a person or organization whose business or assets you have acquired; and containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.
- Your product includes warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of your product; and the providing of or failure to provide warnings or instructions.
- Your product does not include vending machines or other property rented to or located for the use of others but not sold.
22. "Your work" means work or operations performed by you, or any entity for whom you are legally liable; and materials, parts or equipment furnished in connection with such work or operations.
- Your work includes warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of your work; and the providing of or failure to provide warnings or instructions.

In witness whereof, the company has caused this policy to be signed by its President and its Secretary at Boston, Massachusetts, and countersigned by a duly authorized representative of the company.

PRESIDENT  
David A. Cohen

VICE PRESIDENT and SECRETARY  
Dexter R. Legg

## Contractors Pollution Liability Occurrence Policy



### LIBERTY SURPLUS INSURANCE CORPORATION

(A New Hampshire Stock Insurance Company, hereinafter the "Company")

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

#### SERVICE OF SUIT CLAUSE – WASHINGTON

Effective Date:	March 30, 2011	Expiration Date:	March 30, 2012
Policy Number:	UBESF102600111	Endorsement No.	1
Issued To:	Cleanscapes, Inc.		

This endorsement modifies insurance provided under the following:

#### ALL COVERAGE PARTS IN THIS POLICY

Liberty Surplus Insurance Corporation hereby appoints the Superintendent, Commissioner or Director of Insurance or other officer specified for that purpose in the statute or his successor or successors in office, as the true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the Insured or any beneficiary hereunder arising out of this contract of insurance.

The Company furthermore designates Corporation Service Company, 6500 Harbour Heights Pkwy., Ste. 400, Mukilteo, WA 98275 as the agent to whom a copy of the Service of Process should be forwarded by the Superintendent, Commissioner or Director of Insurance or other officer specified for that purpose in the State of Washington. A copy of any process, "suit", complaint or summons should be sent to Dexter R. Legg, Secretary, Liberty Surplus Insurance Corporation, 175 Berkeley St., Boston, MA 02116.

## Contractors Pollution Liability Occurrence Policy



### LIBERTY SURPLUS INSURANCE CORPORATION

(A member of Liberty Mutual Group)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

#### EXCLUSION OF CERTIFIED ACTS OF TERRORISM

Effective Date:	March 30, 2011	Expiration Date:	March 30, 2012
Policy Number:	UBESF102600111	Endorsement No.	2
Issued To:	Cleancescapes, Inc.		

This endorsement modifies insurance provided under the following:

#### CONTRACTOR AND PROFESSIONAL SERVICES LIABILITY POLICY

**A.** The following exclusion is added:

This insurance does not apply to:

#### **TERRORISM**

"Any injury or damage" arising, directly or indirectly, out of a "certified act of terrorism".

**B.** The following definitions are added:

1. For the purposes of this endorsement, "any injury or damage" means any injury, damage or loss covered under any Coverage Part or Policy to which this endorsement is applicable, and includes but is not limited to "bodily injury", "business interruption", "clean-up costs", "corrective action", "defense expense" or "property damage" as may be defined in any applicable Coverage Part or Policy.
2. "Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:
  - a. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
  - b. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.



## Contractors Pollution Liability Occurrence Policy



### LIBERTY SURPLUS INSURANCE CORPORATION

(A New Hampshire Stock Insurance Company, hereinafter the "Company")

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

#### EXCLUSION OF TERRORISM

Effective Date:	March 30, 2011	Expiration Date:	March 30, 2012
Policy Number:	UBESF102600111	Endorsement No.	3
Issued To:	Cleancescapes, Inc.		

This endorsement modifies insurance provided under the following:

#### CONTRACTORS POLLUTION LIABILITY POLICY

- A. The following definitions are added and apply under this endorsement wherever the term terrorism, or the phrase any injury or damage, are enclosed in quotation marks:
1. "Terrorism" means activities against persons, organizations or property of any nature:
    - a. That involve the following or preparation for the following:
      - (1) Use or threat of force or violence; or
      - (2) Commission or threat of a dangerous act; or
      - (3) Commission or threat of an act that interferes with or disrupts an electronic, communication, information, or mechanical system; and
    - b. When one or both of the following applies:
      - (1) The effect is to intimidate or coerce a government or the civilian population or any segment thereof, or to disrupt any segment of the economy; or
      - (2) It appears that the intent is to intimidate or coerce a government, or to further political, ideological, religious, social or economic objectives or to express (or express opposition to) a philosophy or ideology.
  2. "Any injury or damage" means any injury, damage or loss covered under any Coverage Part or Policy to which this endorsement is applicable, and includes but is not limited to "bodily injury", "business interruption", "clean-up costs", "corrective action", "defense expense" or "property damage" as may be defined in any applicable Coverage Part or Policy.

- B. The following exclusion is added:

#### EXCLUSION OF TERRORISM

## Contractors Pollution Liability Occurrence Policy



We will not pay for "any injury or damage" caused directly or indirectly by "terrorism", including action in hindering or defending against an actual or expected incident of "terrorism". "Any injury or damage" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to such injury or damage. But this exclusion applies only when one or more of the following are attributed to an incident of "terrorism":

1. The "terrorism" is carried out by means of the dispersal or application of radioactive material, or through the use of a nuclear weapon or device that involves or produces a nuclear reaction, nuclear radiation or radioactive contamination; or
2. Radioactive material is released, and it appears that one purpose of the "terrorism" was to release such material; or
3. The "terrorism" is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
4. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the "terrorism" was to release such materials; or
5. The total of insured damage to all types of property exceeds \$25,000,000. In determining whether the \$25,000,000 threshold is exceeded, we will include all insured damage sustained by property of all persons and entities affected by the "terrorism" and business interruption losses sustained by owners or occupants of the damaged property. For the purpose of this provision, insured damage means damage that is covered by any insurance plus damage that would be covered by any insurance but for the application of any terrorism exclusions; or
6. Fifty or more persons sustain death or serious physical injury. For the purposes of this provision, serious physical injury means:
  - a. Physical injury that involves a substantial risk of death; or
  - b. Protracted and obvious physical disfigurement; or
  - c. Protracted loss of or impairment of the function of a bodily member or organ.

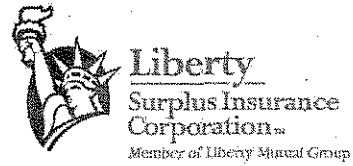
Multiple incidents of "terrorism" which occur within a 72-hour period and appear to be carried out in concert or to have a related purpose or common leadership will be deemed to be one incident, for the purpose of determining whether the thresholds in Paragraphs B.5. or B.6. are exceeded.

With respect to this Exclusion, Paragraphs B.5. and B.6. describe the threshold used to measure the magnitude of an incident of "terrorism" and the circumstances in which the threshold will apply, for the purpose of determining whether this Exclusion will apply to that incident. When the Exclusion applies to an incident of "terrorism", there is no coverage under this Coverage Part or Policy.

In the event of any incident of "terrorism" that is not subject to this Exclusion, coverage does not apply to "any injury or damage" that is otherwise excluded under this Coverage Part or Policy.

- C. The following is hereby added to the Policy and shall apply to all coverages:

## **Contractors Pollution Liability Occurrence Policy**



This exclusion shall not apply to coverage for "certified acts of terrorism" if you have elected to purchase such coverage. However, with respect to any one or more "certified acts of terrorism", we will not pay any amounts for which we are not responsible under the terms of the federal Terrorism Risk Insurance Act (including subsequent action of Congress pursuant to the Act) due to the application of any clause which results in a cap on our liability for payments for terrorism losses.

## Contractors Pollution Liability Occurrence Policy



### LIBERTY SURPLUS INSURANCE CORPORATION

(A New Hampshire Stock Insurance Company, hereinafter the "Company")

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Effective Date:	March 30, 2011	Expiration Date:	March 30, 2012
Policy Number:	UBESF102600111	Endorsement No.	4
Issued To:	Cleanscapes, Inc.		

### U.S. ECONOMIC AND TRADE SANCTIONS ENDORSEMENT

Whenever coverage provided by this policy would be in violation of any U.S. economic or trade sanctions such as, but not limited to, those sanctions administered and enforced by the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC"), such coverage shall be null and void.

Similarly, any coverage relating to or referred to in any certificates or other evidences of insurance or any claim that would be in violation of U.S. economic or trade sanctions as described above shall also be null and void.

## Contractors Pollution Liability Occurrence Policy



### LIBERTY SURPLUS INSURANCE CORPORATION

(A New Hampshire Stock Insurance Company, hereinafter the "Company")

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

#### BIOLOGICAL CONTAMINANTS EXCLUSION

Effective Date:	March 30, 2011	Expiration Date:	March 30, 2012
Policy Number:	UBESF102600111	Endorsement No.	5
Issued To:	Cleanscapes, Inc.		

It is agreed that the following is added to **SECTION II – EXCLUSIONS**:

#### Biological Contaminants

"Loss" arising from, out of, caused by, resulting from, contributed to, or in any way related to the existence, inhalation or exposure to any "biological contaminants" regardless of any other cause, event, material, product, and/or building component that contributed concurrently or in sequence to the injury or damage.

It is also agreed that the following is added to **SECTION VI – DEFINITIONS**:

"Biological contaminants" means mold, mildew, fungi, or bacterial matter including any substance produced by, emanating from, or arising out of any such biological contaminants.

All other terms and conditions remain unchanged.



## Contractors Pollution Liability Occurrence Policy



### LIBERTY SURPLUS INSURANCE CORPORATION

(A New Hampshire Stock Insurance Company, hereinafter the "Company")

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

#### BODILY INJURY – AMENDMENT OF DEFINITION

Effective Date:	March 30, 2011	Expiration Date:	March 30, 2012
Policy Number:	UBESF102600111	Endorsement No.	6
Issued To:	Cleanscapes, Inc.		

It is agreed that **SECTION VI – DEFINITIONS**, paragraph 2. "Bodily injury" is deleted and replaced with the following:

2. "Bodily injury" means physical injury, sickness, disease, mental anguish or emotional distress sustained by any person, including death resulting therefrom.

All other terms and conditions remain unchanged.

## Contractors Pollution Liability Occurrence Policy



### LIBERTY SURPLUS INSURANCE CORPORATION

(A New Hampshire Stock Insurance Company, hereinafter the "Company")

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

#### CANCELLATION – MINIMUM EARNED PREMIUM

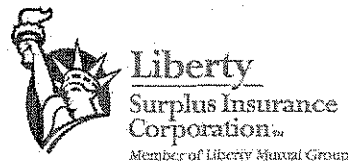
Effective Date:	March 30, 2011	Expiration Date:	March 30, 2012
Policy Number:	UBESF102600111	Endorsement No.	7
Issued To:	Cleanscapes, Inc.		

It is agreed that **SECTION V – CONDITIONS**, paragraph 4. **Cancellation**, subparagraph e. is deleted in its entirety and replaced with the following:

- e. Subject to a twenty five percent (25%) minimum earned premium provision, if this policy is cancelled, we will send the "named insured" any premium refund due. If we cancel, the refund will be pro rata. If the "named insured" cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.

All other terms and conditions remain unchanged.

# Contractors Pollution Liability Occurrence Policy



## LIBERTY SURPLUS INSURANCE CORPORATION

(A New Hampshire Stock Insurance Company, hereinafter the "Company")

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

### NON-OWNED DISPOSAL SITE COVERAGE ENDORSEMENT

Effective Date:	March 30, 2011	Expiration Date:	March 30, 2012
Policy Number:	UBESF102600111	Endorsement No.	8
Issued To:	Cleancescapes, Inc.		

It is agreed that:

A. **SECTION I – COVERAGE** is deleted and replaced with the following:

#### SECTION I – Insuring Agreements

##### 1.a. Contractor's Pollution Liability

We will pay on your behalf those sums the "insured" becomes legally obligated to pay for "loss" arising from "pollution conditions" caused by "covered operations" performed by the "insured" or any entity for which the "insured" is legally liable.

This insurance applies only to "bodily injury", "environmental damage" or "property damage" that occurs during the policy period.

Progressive, continuous, intermittent or indivisible "bodily injury", "environmental damage" or "property damage" that occurs over a period of days, weeks, months or longer caused by "pollution conditions" shall be deemed to have occurred only on the date of first exposure to such "pollution conditions". The date of first exposure is:

- in the case of "bodily injury", the date of the first exposure of any person to the "pollutants"; and
- in the case of "environmental damage" or "property damage", the date of the first discharge, dispersal, seepage, migration, release or escape of the "pollutants".

If the date of first exposure as described above is before the inception date of the first policy issued to you by us providing coverage for "bodily injury", "environmental damage" or "property damage" caused by "pollution conditions" resulting from "covered operations", or can not be immediately determined, but the progressive, continuous, intermittent or indivisible "bodily injury", environmental damage" or "property damage" continues in fact to exist during this policy period, the date of first exposure will be deemed to have occurred only on the inception date of the first policy issued to you by us that is applicable to the "covered operations" from which the "bodily injury", "environmental damage" or "property damage" caused by "pollution conditions" arose. Further, no other policy issued to you by us will be applicable to the "covered operations" from which the "bodily injury", "environmental damage" or "property damage" caused by "pollution conditions" arose.

##### 1.b. Non-owned Disposal Site Liability

We will pay on your behalf those sums the "insured" becomes legally obligated to pay for "loss" arising from "claim(s)" for:

## Contractors Pollution Liability Occurrence Policy



1. "bodily injury" or "property damage" to any person or organization other than the owners or operators of the "non-owned disposal site" including their employees or contractors; or
2. "clean-up costs" ;

caused by "pollution conditions" at or emanating from a "non-owned disposal site". Such "pollution conditions" must commence on or after the retroactive date stated in this endorsement. "Claims" for such "bodily injury", "property damage" or "clean-up costs" must first be made against the "insured" and reported to us in writing during the policy period or Extended Reporting Period.

- B. **Item 3. Limits of Insurance** and **Item 4., Deductible** of the Declarations are amended to include the following:

**Item 3. Limits of Insurance**

- |   |              |
|---|--------------|
| A.1. Each Disposal Site Incident:             | \$10,000,000 |
| B.2. Aggregate – All Disposal Site Incidents: | \$10,000,000 |

The Each Disposal Site Incident Limit and Aggregate All Disposal Sites Limits are included within and are not in addition to the Each Incident and Aggregate Limits stated in the Declarations.

**Item 4. Deductible:** Each Disposal Site Incident: \$10,000

- C. The following Retroactive Date will apply with respect to **Insuring Agreement 1.b., Non-owned Disposal Site Liability**:

**Item 7. Retroactive Date:** Non-owned Disposal Site Liability: March 1, 2009

- D. Paragraphs 2.and 3. of **SECTION IV – LIMITS OF INSURANCE AND DEDUCTIBLE** are deleted and replaced with the following:

**2. Each Incident Limit**

- a. Subject to the Aggregate Limit, the most we will pay for all "loss" arising from any one "pollution condition" or the same, related or continuous "pollution conditions" under **Insuring Agreement 1.a., Contractor's Pollution Liability** is the Each Incident Limit stated in the Declarations.
- b. Subject to the Aggregate Limit, the most we will pay for all "loss" arising from each "claim" under **Insuring Agreement 1.b., Non-owned Disposal Site Liability** is the Each Disposal Site Incident Limit stated in the Declarations.

Such Each Disposal Site Incident Limit is a part of and not in addition to the Each Incident Limit stated in the Declarations.

**3. Multiple Policy Periods, Multiple Claims**

**a. Insuring Agreements 1.a., Contractor's Pollution Liability**

If the same, related or continuous "pollution conditions" result in "bodily injury", "environmental damage" or "property damage" which occurs during the policy periods of different Contractors Pollution Liability policies we or an affiliate have issued to you:

1. all such "bodily injury", "environmental damage" or "property damage" shall be deemed to have occurred only during the first policy period of such Contractors Pollution Liability policies in which any of the "bodily injury", "environmental damage" or "property damage" occurred; and

## Contractors Pollution Liability Occurrence Policy



2. all "loss" arising from all such "bodily injury", "environmental damage" or "property damage", shall be subject to the Each Incident Limit applicable under the policy described in paragraph 3.a. above.

### b. Insuring Agreement 1.b., Non-owned Disposal Site Liability

1. When we, or an affiliate, have issued one or more policies to you on a successive basis providing coverage substantially the same as this policy and a "claim" for "loss" is first made against you and reported to us in writing in accordance with the terms and conditions of this policy, all "claims" arising out of the same, related or continuous "pollution conditions" at or emanating from a "non-owned disposal site" shall be deemed to have been first made and reported during this policy period, provided that you have maintained insurance substantially the same as this coverage with us or an affiliate on a continuous, uninterrupted basis since the first such "claim" for "loss" was made against you, and reported to us. All such "claims" will be subject to the terms, conditions and Limits of Insurance of this policy.
2. All "claims" for "loss" first made against an "insured" and reported to us during the policy period and arising out of the same, related or continuous "pollution conditions" at or emanating from a "non-owned disposal site" shall be deemed to be a single "claim" and shall be deemed to have been made at the time the first of those "claims" is made.

- E. Paragraph 15. Transported Materials of SECTION II – EXCLUSIONS is deleted and replaced with the following:

### 15. Transported Materials

"Loss" arising from any waste or any products or materials transported, shipped, or delivered via "auto", aircraft, mobile equipment, watercraft, rolling stock or any other transportation mode, to a location beyond the boundaries of a site at which the "insured" or any entity for which you are legally liable is performing or has performed "professional services" or "covered operations".

This exclusion does not apply to "loss" arising under Insuring Agreement 1.b., Non-owned Disposal Site Liability.

- F. The following definition is added to SECTION VI – DEFINITIONS:

"Non-owned disposal site" means the disposal site location(s) designated below that are neither owned nor operated by you:

#### Scheduled Non-Owned Disposal Sites

Locations(s) used for the treatment, storage or disposal of an "Insured's" waste material during the policy period, but only if:

- The disposal sites are neither owned nor operated by the insured;
- The disposal site is permitted and/or licensed by any Federal, State, Local authorities to accept such waste material as of the date of treatment, storage or disposal; and,
- The disposal site is not listed on any proposed or final Federal National Priorities, Superfund or hazardous waste lists, or any State or local equivalent, prior to the treatment, storage or disposal.

## **Contractors Pollution Liability Occurrence Policy**

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Nothing in this Endorsement shall be deemed or construed to increase the limits of insurance shown in the Declarations as applicable to each coverage limit or policy aggregate limit.

All other terms and conditions remain unchanged.

# Contractors Pollution Liability Occurrence Policy



## LIBERTY SURPLUS INSURANCE CORPORATION

(A New Hampshire Stock Insurance Company, hereinafter the "Company")

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

### TRANSPORTATION ENDORSEMENT

Effective Date:	March 30, 2011	Expiration Date:	March 30, 2012
Policy Number:	UBESF102600111	Endorsement No.	9
Issued To:	Cleanscapes, Inc.		

It is agreed that:

A. **SECTION II – EXCLUSIONS**, Exclusion **14. Vehicles** is deleted in its entirety and replaced by the following:

**14. Vehicles**

"Loss" arising from the ownership, maintenance, use, loading and unloading, operation, or entrustment to others of any "auto", aircraft, mobile equipment, watercraft, rolling stock or any other transportation mode.

This exclusion does not apply to "loss" caused by "pollution conditions" arising from "transported cargo" which is carried by a "covered auto" used in the performance of "covered operations".

B. The following exclusions are added to **SECTION II – EXCLUSIONS**:

**Property Damage to Cargo**

"Loss arising from "property damage" to "cargo".

**Property Damage to Conveyances**

"Loss" arising from "property damage" to any "auto" resulting from "pollution conditions" caused by "transported cargo".

**Wrongful Delivery**

"Loss" arising from the delivery of any "cargo" into a wrong receptacle or to a wrong address; or the erroneous delivery of one "cargo" for another.

C. The following definitions are added to **SECTION VI – DEFINITIONS**:

"Cargo" means waste, products or materials carried or delivered on or within a "covered auto".

"Covered auto" means any "auto" operated by the "insured" or by any third party carrier acting on behalf of the "insured".

## Contractors Pollution Liability Occurrence Policy

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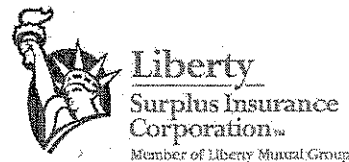


"Transported cargo" means "cargo" after it is moved from the place where it is accepted by the "insured" for movement into or onto a "covered auto", until the "cargo" is moved from the "covered auto" to the place where it is finally delivered by the "insured". "Transported cargo" also includes "cargo" during the loading or unloading to or from a "covered auto", provided that the loading or unloading is performed by the "insured". "Transported cargo" does not include "cargo" at rest for a period longer than seventy-two (72) hours after it has been accepted by or on behalf of the "insured" for movement into or onto a "covered auto" but before it reaches the place of final delivery.

All other terms and conditions remain unchanged.



# Contractors Pollution Liability Occurrence Policy



## LIBERTY SURPLUS INSURANCE CORPORATION

(A New Hampshire Stock Insurance Company, hereinafter the "Company")

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

### SITE POLLUTION LIABILITY COVERAGE ENDORSEMENT

Effective Date:	March 30, 2011	Expiration Date:	March 30, 2012
Policy Number:	UBESF102600111	Endorsement No.	10
Issued To:	Cleancescapes, Inc.		

It is agreed that:

- A. SECTION I – COVERAGE is deleted and replaced with the following:

#### SECTION I – Insuring Agreements

##### 1.a. Contractor's Pollution Liability

We will pay on your behalf those sums the "insured" becomes legally obligated to pay for "loss" arising from "pollution conditions" caused by "covered operations" performed by the "insured" or any entity for which the "insured" is legally liable.

This insurance applies only to "bodily injury", "environmental damage" or "property damage" that occurs during the policy period.

Progressive, continuous, intermittent or indivisible "bodily injury", "environmental damage" or "property damage" that occurs over a period of days, weeks, months or longer caused by "pollution conditions" shall be deemed to have occurred only on the date of first exposure to such "pollution conditions". The date of first exposure is:

- a. in the case of "bodily injury", the date of the first exposure of any person to the "pollutants"; and
- b. in the case of "environmental damage" or "property damage", the date of the first discharge, dispersal, seepage, migration, release or escape of the "pollutants".

If the date of first exposure as described above is before the inception date of the first policy issued to you by us providing coverage for "bodily injury", "environmental damage" or "property damage" caused by "pollution conditions" resulting from "covered operations", or can not be immediately determined, but the progressive, continuous, intermittent or indivisible "bodily injury", "environmental damage" or "property damage" continues in fact to exist during this policy period, the date of first exposure will be deemed to have occurred only on the inception date of the first policy issued to you by us that is applicable to the "covered operations" from which the "bodily injury", "environmental damage" or "property damage" caused by "pollution conditions" arose. Further, no other policy issued to you by us will be applicable to the "covered operations" from which the "bodily injury", "environmental damage" or "property damage" caused by "pollution conditions" arose.

# Contractors Pollution Liability Occurrence Policy



## 1.b. Site Pollution Liability

We will pay on your behalf those sums the "insured" becomes legally obligated to pay for "loss" arising from "claims" for "bodily injury", "property damage" or "clean-up costs" caused by "pollution conditions" at or emanating from a "covered location". Such "pollution conditions" must commence on or after the retroactive date stated below. "Claims" for such "clean-up costs" must first be made against the "insured" and reported to us in writing during the policy period or Extended Reporting Period.

- B. **Item 3. Limits of Insurance and Item 4., Deductible** of the Declarations are amended to include the following:

### Item 3. Limits of Insurance

- |      |   |               |
|------|---|---------------|
| A.1. | Each Site Pollution Liability Incident:             | \$ 10,000,000 |
| B.2. | Aggregate – All Site Pollution Liability Incidents: | \$ 10,000,000 |

The Each Site Pollution Liability Incident Limit and Aggregate All Site Pollution Limits are included within and are not in addition to the Aggregate Limits stated in the Declarations.

### Item 4. Deductible

Each Site Pollution Liability Incident Deductible: \$ 10,000

- C. The following Retroactive Date will apply with respect to **Insuring Agreement 1.b., Site Pollution Liability**:

**Item 7. Site Pollution Liability Retroactive Date:** March 1, 2009

- D. Paragraphs 2. and 3. of **SECTION IV – LIMITS OF INSURANCE AND DEDUCTIBLE** are deleted and replaced with the following:

## 2. Each Incident Limit

- a. Subject to the Aggregate Limit, the most we will pay for all "loss" arising from any one "pollution condition" or the same, related or continuous "pollution conditions" under Insuring Agreement 1.a., Contractor's Pollution Liability is the Each Incident Limit stated in the Declarations.
- b. Subject to the Aggregate Limit, the most we will pay for all "loss" arising from each "claim" under Insuring Agreement 1.b., Site Pollution Liability is the Each Site Pollution Liability Incident Limit stated in the Declarations.

## 3. Multiple Policy Periods, Multiple Claims

### a. Insuring Agreement 1.a., Contractor's Pollution Liability

If the same, related or continuous "pollution conditions" result in "bodily injury", "environmental damage" or "property damage" which occurs during the policy periods of different Contractors Pollution Liability policies we or an affiliate have issued to you:

## Contractors Pollution Liability Occurrence Policy



1. all such "bodily injury", "environmental damage" or "property damage" shall be deemed to have occurred only during the first policy period of such Contractors Pollution Liability policies in which any of the "bodily injury", "environmental damage" or "property damage" occurred; and
  2. all "loss" arising from all such "bodily injury", "environmental damage" or "property damage", shall be subject to the Each Incident Limit applicable under the policy described in paragraph 3.a. above.
- b. **Insuring Agreement 1.b., Site Pollution Liability**
1. When we, or an affiliate, have issued one or more policies to you on a successive basis providing coverage substantially the same as this policy and a "claim" for "loss" is first made against you and reported to us in writing in accordance with the terms and conditions of this policy, all "claims" arising out of the same, related or continuous "pollution conditions" at or emanating from a "covered location" shall be deemed to have been first made and reported during this policy period, provided that you have maintained insurance substantially the same as this coverage with us or an affiliate on a continuous, uninterrupted basis since the first such "claim" for "loss" was made against you, and reported to us. All such "claims" will be subject to the terms, conditions and Limits of Insurance of this policy.
  2. All "claims" for "loss" first made against an "insured" and reported to us during the policy period and arising out of the same, related or continuous "pollution conditions" at or emanating from a "covered location" shall be deemed to be a single "claim" and shall be deemed to have been made at the time the first of those "claims" is made.

E. The following are added to **SECTION II – EXCLUSIONS** with respect to **Insuring Agreement 1.b., Site Pollution Liability**:

### **Asbestos and Lead Paint**

"Loss" arising from the actual or alleged presence of or exposure to lead based paint or asbestos, asbestos-containing material, asbestos-based products, asbestos fibers, asbestos dust or asbestos waste installed, stored or applied in or upon any building or structure at the "covered location".

### **Known Pollution Conditions and Non-disclosure**

"Loss" arising from "pollution conditions" which occurred prior to the inception date of this policy, if any "responsible insured" knew or could have reasonably foreseen that such "pollution conditions" would give rise to a "claim" and the "insured" did not disclose such "pollution conditions" to us in the application for this Policy.

### **Relinquishment of Control**

"Loss" arising from "pollution conditions" at any "covered location" which commence subsequent to the time such "covered location" is sold, leased, given away, abandoned or operational control has been relinquished by an "insured".

### **Underground Storage Tanks**

## Contractors Pollution Liability Occurrence Policy



"Loss" or "business interruption expense" arising from any "underground storage tank system" that is located at a "covered location" and that any "responsible insured", as of the inception date of this policy period, knew to be present at such "covered location".

This exclusion does not apply to any "underground storage tank system" that is;

- a. located in any underground structure; provided such "underground storage tank system" is installed entirely above the surface of the floor of such underground structure and the entire surface area of the tank can be visually inspected; or
- b. designated in a Scheduled Underground Storage Tank Endorsement if we attach such an endorsement to the policy.

- F. The following is added to **SECTION V – CONDITIONS** with respect to **Insuring Agreement** **1.b., Site Pollution Liability**:

### **SECTION V - EXTENDED REPORTING PERIOD**

We will provide an Automatic Extended Reporting Period, and if you purchase it, a Supplemental Extended Reporting Period as described below, if this policy is canceled or not renewed; or we renew or replace this policy with insurance that:

- a. Has a Retroactive Date later than the date shown in the Declarations of this policy; or
- b. Does not apply to "bodily injury", "property damage", or "clean-up costs" on a claims-made basis.

Extended Reporting Periods do not extend the policy period or change the scope of coverage provided. Extended Reporting Periods do not reinstate or increase the Aggregate Limit of Insurance and may not be cancelled once in effect. Extended Reporting Periods apply only to "claims" arising from "pollution conditions" that commence before the end of the policy period and but not before or after the applicable Retroactive Dates, if any, shown in the Declarations.

#### **1. Automatic Extended Reporting Period**

We will provide the "named insured" an Automatic Extended Reporting Period. Under this provision the "named insured" shall have sixty (60) days from the end of the policy period to report to us in writing any "claim(s)" first made against the "insured" during the policy period or Automatic Extended Reporting Period. This Automatic Extended Reporting Period does not apply to "claims" that are covered under the Supplemental Extended Reporting Period described below; or covered under any subsequent insurance you purchase, or that would be covered but for the exhaustion of the amount of insurance applicable to such "claim".

#### **2. Extended Reporting for Notified Pollution Conditions**

## Contractors Pollution Liability Occurrence Policy



Regardless of this policy being cancelled or not renewed, we will also provide the "named insured" an Automatic Extended Reporting Period for "claims" arising from "pollution conditions" reported to us during the policy period in accordance with the Duties in the Event of Pollution Conditions or Claim provisions of this policy. Under this provision a "claim" arising from such "pollution conditions" reported to us in writing during the policy period that is first made against the "insured" and reported to us in writing within four (4) years after the end of this policy period will be deemed to have been made on the last day of this policy period. This Automatic Extended Reporting Period does not apply to "claims" that are covered under any subsequent insurance you purchase, or that would be covered but for the exhaustion of the amount of insurance applicable to such "claim".

### 3. Supplemental Extended Reported Period

An additional Supplemental Extended Reporting Period of four (4) years is available, but only by an endorsement and for an extra charge. This Supplemental Reporting Period does not apply to any "claim(s)" arising from "pollution conditions" covered under the Automatic Extended Reporting Period provisions described above. This Supplemental Extended Reporting Period starts with the end of the policy period. Any "claim" first made against the "insured" and reported to us in writing within the Supplemental Extended Reporting Period will be deemed to have been made on the last day of the policy period. You must give us a written request for the endorsement within 60 days after the end of the policy period. The Extended Reporting Period will not go into effect unless you pay the additional premium promptly when due. The additional premium will not exceed 200% of the annual premium for this policy.

This endorsement shall set forth the terms, not inconsistent with this Section, applicable to the Supplemental Extended Reporting Period, including a provision to the effect that the insurance afforded for "claims" first made and reported to us during such period is excess over any other valid and collectible insurance available under policies in force after the Supplemental Extended Reporting Period starts.

### G. The following definitions are added to SECTION VI – DEFINITIONS with respect to **Insuring Agreement 1.b., Site Pollution Liability**:

"Covered location" means the location(s) designated below:

#### Scheduled Covered Locations

1. 5939 4<sup>th</sup> Ave., Seattle, WA 98108
2. 7201 E. Marginal Way, Seattle, WA (Recycling)

"Underground storage tank system" means a tank or tanks operated by the "insured", including any connected underground piping, underground ancillary equipment and containment system that are on, within, or under a location designated in the Declarations; and has at least ten (10) percent of its volume beneath the surface of the ground.

### H. SECTION VI. DEFINITIONS, paragraphs 10. Insured Contract, 19 Property Damage and 20. Responsible Insured are deleted in their entirety and replaced with the following:

## Contractors Pollution Liability Occurrence Policy



10. "Insured contract" means:
1. With respect to **Insuring Agreement 1.a., Contractor's Pollution Liability**:
    - a. an obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
    - b. that part of any other written contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury", "property damage" or "clean-up costs" to a third party or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.
  2. With respect to **Insuring Agreement 1.b., Site Pollution Liability**:
    - a. a contract or agreement designated in an Insured Contract Endorsement to this Policy.
19. "Property damage" means:
- a. Physical injury to or destruction of "natural resources" or other tangible property, including all resulting loss of use and diminution in value of that property; or
  - b. Loss of use, but not diminution in value, of "natural resources" or other tangible property that is not physically injured.
- Property damage does not include "clean-up costs" or "environmental damage".
20. "Responsible Insured" means:
- a. an officer, director or partner of any "insured";
  - b. any manager of the "covered location"; or
  - c. the manager or supervisor of any "insured" responsible for environmental affairs, control or compliance.

Nothing in this Endorsement shall be deemed or construed to increase the limits of insurance shown in the Declarations as applicable to each coverage limit or policy aggregate limit.

All other terms and conditions remain unchanged.